UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, et al.,

Debtors.¹

PROMESA Title III

No. 17 BK 3283-LTS

(Jointly Administered)

This filing relates to the Commonwealth and ERS.

REPLY OF THE COMMONWEALTH OF PUERTO RICO TO THE OPPOSITION TO DEBTOR'S OMNIBUS OBJECTION "FIVE HUNDRED TWENTY-SEVENTH" (SUBSTANTIVE) [ECF NO. 22429]

To the Honorable United States District Judge Laura Taylor Swain:

The Commonwealth of Puerto Rico (the "Commonwealth") and the Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS," and together with the Commonwealth, the "Debtors"), by and through the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board"), as the sole Title III representative of the Debtors pursuant

The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the "Commonwealth") (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA", and together with the Commonwealth, COFINA, HTA, ERS, and PREPA, the "Debtors") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* ("PROMESA"),² files this reply (the "Reply") to the response [Case No. 17-BK-3283-LTS, ECF No. 22429]³ (the "Response"), filed by claimant Sara Cruz Lorenzana (the "Claimant"), to the *Five Hundred Twenty-Seventh Omnibus Objection (Substantive) of the Commonwealth of Puerto Rico and the Employees Retirement System of the Government of the Commonwealth of Puerto Rico to Claims for which the Debtors Are Partially Not Liable [ECF No. 22261] (the "Five Hundred Twenty-Seventh Omnibus Objection")*. In support of this Reply, the Debtors respectfully represent as follows:

- 1. Pursuant to the Five Hundred Twenty-Seventh Omnibus Objection, the Debtors objected to various claims purporting to assert, in part, liabilities associated with the litigation captioned *Nilda Agosto Maldonado et al. v. Commonwealth of Puerto Rico Family Department et al.*, Civil No. KPE 2005-0608 (the "Agosto Maldonado Litigation"). As noted therein, the Debtors objected to a portion of the Claimant's claim, as Claimant is not a named plaintiff in the Agosto Maldonado Litigation.⁴
- 2. Interestingly, in the Response, Claimant asserts that its proof of claim (Claim No. 83256) (the "<u>Proof of Claim</u>") did not assert Claimant to be a plaintiff in the Agosto Maldonado Litigation. However, in support of the claim, Claimant attaches a certificate of debt, and therein identifies two case numbers in support of the Proof of Claim, including the case number "KPE

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

³ Unless otherwise stated herein, ECF citations refer to documents filed in Bankruptcy Case No. 17-BK-3283-LTS.

⁴ The Response states that the Five Hundred Twenty-Seventh Omnibus Objection "seeks the Court Approval for the dismissal of the claim." Response at 1. The Debtors, however, only seek to disallow the portion of the claim asserting liability in connection with the Agosto Maldonado Litigation, not the claim in its entirety.

2005-0008". The Debtors have no record of a case with that case number. Claimant's counsel, however, has used case number "KPE 2005-0008" in reference to the Agosto Maldonado Litigation in other filings. *See*, *e.g.*, Proof of Claim 10627, Ex. 1 (referring to case number KPE 2005-0008 in reference to the Agosto Maldonado Litigation). Accordingly, the Debtors believe that a portion of the Proof of Claim has purported to assert liability in connection with the Agosto Maldonado Litigation. Because Claimant has not clarified that Claimant is not associated with the Agosto Maldonado Litigation, the Debtors maintain that the Five Hundred Twenty-Seventh Omnibus Objection should be sustained and the portion of Claimant's Proof of Claim purporting to assert liabilities associated with the Agosto Maldonado Litigation should be disallowed.

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Dated: October 26, 2022 San Juan, Puerto Rico Respectfully submitted,

/s/ Hermann D. Bauer

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